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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:

GRACE RESOURCES, INC.,

DEBTOR.

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Case No. 17-31843-bjh-7

No hearing requested.

NOTICE OF INTENT TO ABANDON PROPERTY OF THE ESTATE

NOTICE

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE STREET, ROOM 1254, DALLAS, TX 75242-1496 BEFORE CLOSE OF BUSINESS ON JUNE 4, 2018, WHICH IS AT LEAST SEVENTEEN (17) DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE MUST BE IN WRITING AND FILED WITH THE CLERK, AND A COPY MUST BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING WILL BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

TO ALL CREDITORS AND PARTIES IN INTEREST:

Jeffrey H. Mims, Chapter 7 Trustee in the above styled and numbered case (the Trustee”), files this **Notice of Intent to Abandon Property of the Estate** and would respectfully show the Court as follows:

1. On May 4, 2017, Grace Resources, Inc. (the “Debtor”) filed a voluntary petition under Chapter 7 of the Bankruptcy Code.

2. The Debtor was an oil and gas exploration and development company that also provided consulting services for people seeking oil and gas investments.

3. The Debtor scheduled claims and lawsuits against third parties (collectively, the “Claims”) as further described on the Schedules [Docket No. 13] and Statement of Financial Affairs [Docket No. 14]. Attached hereto as **Exhibit “A”** are true and correct copies of excerpts from the Schedules and Statement of Financial Affairs more fully identifying the Claims.¹

4. The Trustee’s Court-approved special litigation counsel, The Bufkin Law Firm (“Bufkin”), was engaged to investigate and, if merited, prosecute the Claims on behalf of the estate [Docket No. 23]. Upon review of the files and records of the Debtor and after conducting informal discovery, Bufkin determined pursuit of the Claims to recovery for the estate was not likely in light of the lack of available evidence.

5. Bufkin reviewed approximately 2,000 pages of documents and records in connection with investigating the Claims including, but not limited to, bank statements, accounting records, correspondence, partnership and investment promotional materials, tax returns, oil and gas property documents, partial litigation files, corporate formation documents (collectively, the “Litigation Files”). The Litigation Files along with any other documents and

¹ The Trustee is abandoning any claims asserted or that could be asserted in the litigation listed in items 7.1 through 7.4 on Exhibit A.

records of the Debtor in connection with the Claims are hereinafter collectively referred to as the “Records”.

6. The Claims and the Records have been determined by the Trustee to have no equity, to be burdensome to the estate, and of inconsequential value and benefit to the estate.

7. Please take Notice that pursuant to 11 U.S.C. § 554(a) and Fed. R. Bankr. P. 6007(a) the Trustee intends to abandon the estate’s interest in the Claims and the Records.

Dated: May 17, 2018

Respectfully submitted,

/s/ Majeedah Murad

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CERTIFICATE OF SERVICE

A separate Certificate of Service will be filed contemporaneously with the Notice.

/s/ Majeedah Murad

Majeedah Murad